

JUL 15 2004

FILED

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,

VS.

RESPONDENT.

**FINDINGS OF FACT,
CONCLUSIONS OF LAW,
RECOMMENDED ORDER AND
ORDER**

FINDINGS OF FACT

1. Respondent is a licensed non-resident insurance producer whose registered address with the Department is 151 North Avenue, Waynesburg, PA 15370 (Ex. 2, 3).
2. The Department is the agency of the State of Nebraska charged with licensing insurance producers.
3. On or about May 26, 2004, the Petition and Notice of Hearing were served upon Respondent by mailing the same to her address of record by certified mail, return receipt requested. On or about June 21, 2004, the certified letter was returned to the

Department marked "Unclaimed" as evidenced by the attachment to Exhibit 1. Noting that the initial mailing had the name "Sharon" instead of "Shannon", the Department re-mailed the Petition and Notice of Hearing with the Respondent's correct name on or about June 22, 2004. As of the date of hearing, the Department had not received the certified return receipt card nor had the mailing been returned to the Department.

4. The Department informed Respondent of the requirement for an annual certified public accountant audit required pursuant to *Neb. Rev. Stat.* §44-19,116 by Notice of December 17, 2003 sent to all title insurance agents by U.S. Mail, postage prepaid. (Ex. 1). Said letter was not returned to the Department.

5. Pursuant to *Neb. Rev. Stat.* §44-19,116, all title insurance producers were to have an audit conducted by a certified public accountant. Said audit was to cover the period of the previous calendar year and a copy submitted to the Department by March 31, 2004. See 210 *Neb. Admin. R. & Regs.* 34-007 (2004).

6. Respondent did not file an audit report with the Department by March 31, 2004. (Ex. 2).

7. On or about April 9, 2004, the Department sent a letter to Respondent regarding Respondent's failure to file the annual certified public accountant audit and informing her of the penalties for her failure to file the audit report or notify the Department of an exemption from the requirement. (Ex. 2).

8. Respondent did not respond to the Department's letters nor did Respondent file the required certified public accountant audit report. (Ex. 2).

CONCLUSIONS OF LAW

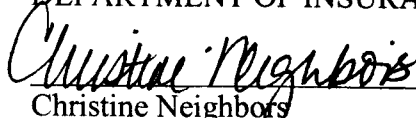
1. The Department has jurisdiction and control over the licensing of Respondent to sell insurance in the State of Nebraska pursuant to *Neb. Rev. Stat. §44-4041 et seq.*
2. The Department has personal jurisdiction over Respondent.
3. Respondent violated *Neb. Rev. Stat. §44-19,116 (2)* and *210 Neb. Admin. R. & Regs. 34-007.*

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's insurance producer's license be revoked.

Dated this 15th day of July, 2004.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Christine Neighbors
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska Department of Insurance v. Shannon L. Rutan, Cause No.: A-1561.

Dated this 15th day of July, 2004.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE


L. TIM WAGNER
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order and Order was served upon the Respondent by mailing a copy to Respondent at 151 North Avenue, Waynesburg, PA 15370 by certified mail, return receipt requested on this 19th day of July, 2004.

Tracy A. Shuman